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*Philip H. Ward, III
pward@warddamon.com*

May 24, 2018

Mr. John W. Apgar, Jr.
740 Ibis Way
North Palm Beach, FL 33408

Re: Waterfront Property

Dear Mr. Apgar:

We represent North Palm Beach Properties, Inc. ("NPB Properties"), owner of the C-17 Canal next to your property. We have been directed to advise you that NPB Properties is prepared to sell to you the C-17 Canal property adjacent to your property. As waterfront property with access to the Intracoastal Waterway, the sale would substantially increase the value of your property.

NPB Properties, along with its affiliates (collectively "NPB Properties"), developed the Village of North Palm Beach and the Town of Lake Park beginning in the late 1950's. NPB Properties caused the property on the north and south of the C-17 Canal to be sub-divided and platted in recorded plats referred to as Village of North Palm Beach Plats 1 through 5. Your property is within the plat known as Village of North Palm Beach Plat #2. NPB Properties developed and sold the lots within these plats but retained ownership of the C-17 Canal. Because NPB Properties retained ownership of the C-17 Canal, most properties along the C-17 Canal do not own water frontage along the C-17 Canal. Some owners have built docks and other improvements within the C-17 Canal property, but the fact is that they do not own this property, nor do they have any right to build within this property.

NPB Properties was originally controlled by John Schwencke. His son, Kim Schwencke, now controls NPB Properties. Mr. Schwencke has decided that it is time to sell the C-17 Canal. He believes that the owners of the lots along the C-17 Canal should be offered the opportunity to buy the water frontage. He has authorized this office to notify owners of property such as yours, the opportunity to own the waterfront land next to their properties.

Offers have already been made to some property owners along the C-17 Canal. Some of those owners have eagerly accepted the opportunity to increase the value of their home by

purchasing the waterfront property. These owners now have the legal right to access the water and the waterway. However, in other cases, the land owners who have been using the C-17 Canal property as their own, without ownership, have elected to fight NPB Properties in court. This is expensive for the land owners as well as NPB Properties, but NPB Properties is prepared to protect its ownership rights and will add whatever legal expenses they incur to the price of the land.

Consistent with the foregoing, please note that we recently secured a judgement against Paradise Villas Condominium Association, for property along the C-17 Canal, east of US Highway One. Thirty-eight boat slips were built within the C-17 Canal by the Condominium. The judgement confirms:

1. NPB Properties owns the submerged land within the C-17 Canal next to the Paradise Villas Condominium Association;
2. Paradise Villas Condominium Association has no rights to the C-17 Canal, by adverse possession, prescriptive easement, or otherwise.

Now that the judgment has confirmed ownership of the C-17 Canal by NPB Properties, NPB Properties has agreed to sell the thirty-eight boat slips within the C-17 Canal to the unit owners.

We have carefully documented NPB Properties' ownership of the C-17 Canal. Evidence of that ownership is available on the Palm Beach County Appraiser's web site. The web site shows NPB Properties as the owner of the C-17 Canal. Attached is a map from the web site showing your property in red, and the C-17 Canal outside of your property line. Separately, I have attached the Appraiser's map of C-17 Canal outlined in red. You will note that the ownership is in the name of North Palm Beach Properties, Inc.

As mentioned above, NPB Properties is prepared to sell C-17 Canal parcels to owners along the C-17 Canal. A survey of the parcel which NPB Properties is prepared to sell to you is enclosed. NPB Properties is willing to sell this parcel to you for a purchase price of \$40,000, plus closing costs. NPB Properties believes that this price is a bargain since you will now own waterfront property and have legal rights to access the private waterway. Without the land, you have no right to enter NPB Properties' land, access the water, or use the submerged land within C-17 Canal.

Please note that this offer is part of a plan by NPB Properties to sell all its land within the C-17 Canal extending from Prosperity Farms Road to the Intracoastal. We will be conducting closings on these properties as quickly as we can.

Should you choose not to take advantage of this offer, NPB Properties will be forced to prohibit any further use of its property by you. NPB Properties can not be liable for injuries or losses within the property. Therefore, to the extent that you are currently using any portion of the C-17 Canal, or to the extent that you have improvements within the C-17 Canal, this letter shall constitute a Notice of Trespass and withdrawal of any prior consent to your use of lands within the C-17 Canal. You are advised to remain off our client's property and to remove any of your

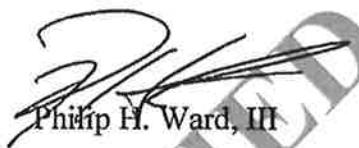
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property from the C-17 Canal. In addition, NPB Properties may offer the property to other owners along the canal. Of course, should you accept the offer, no action will be taken, and we will simply proceed to a closing.

If you have an attorney, please feel free to have him or her contact me with regard to NPB Properties, the ownership of the C-17 Canal, and the proposed conveyance to you. If you are willing to accept the offer contained in this letter, please contact Richard Raymond of Trex Management, the property manager, at 561-632-6089 to execute a Sale and Purchase Agreement for this property.

Should you have any questions, please feel free to contact me.

Very truly yours,



Philip H. Ward, III

Enc.

cc: North Palm Beach Properties, Inc.

SKETCH AND LEGAL DESCRIPTION

Date Of Field Work - 5/3/2018

Drawn By - 3D/SM

Order #: 1000026793

740 IBIS WAY, NORTH PALM BEACH, FLORIDA 33408

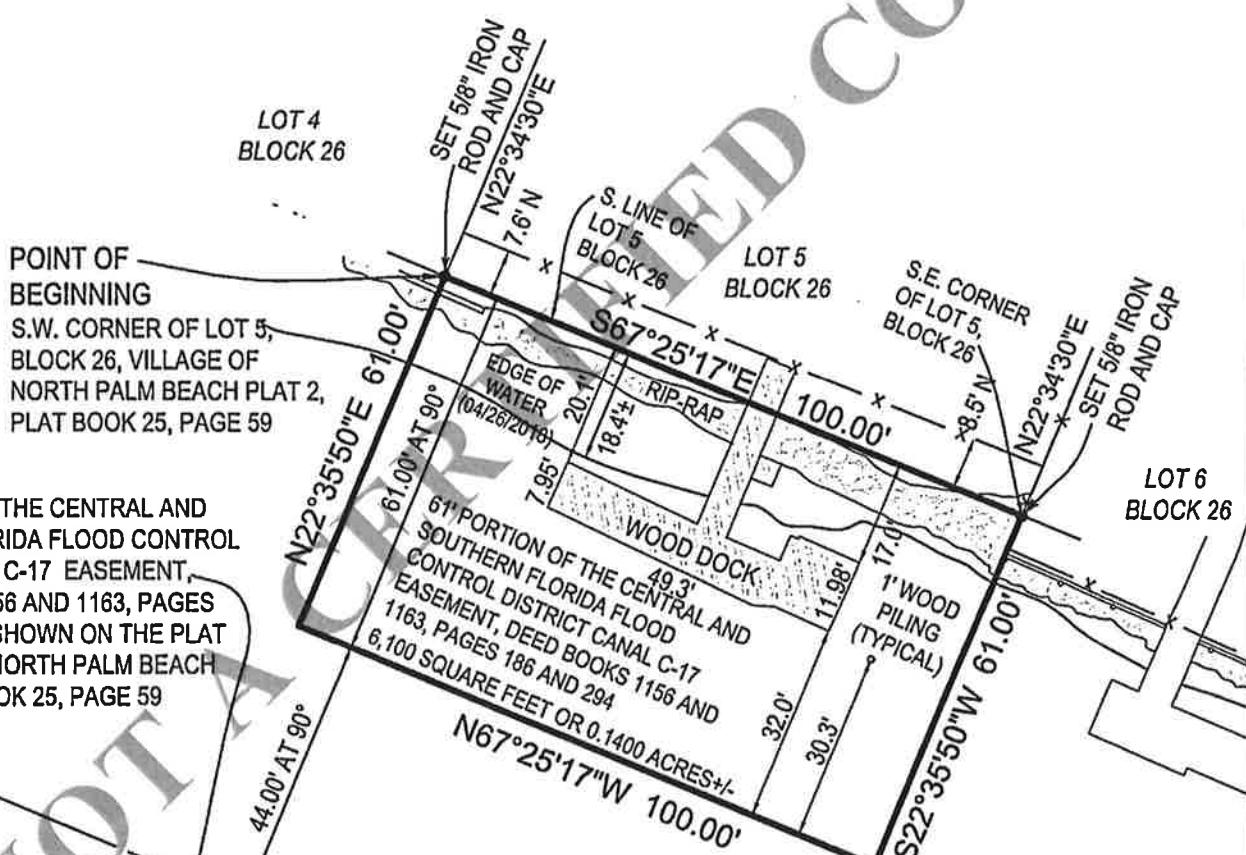
A 61.00 FOOT WIDE STRIP OF LAND LYING IN SECTION 17, TOWNSHIP 42 SOUTH, RANGE 43 EAST, BEING A PORTION OF THE NORTHERLY 61 FEET OF THE CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT CANAL C-17 EASEMENT AS PER DEED BOOKS 1156 AND 1163, PAGES 186 AND 294, LYING SOUTHERLY OF AND COINCIDENT WITH THE SOUTH LINE OF LOT 5, BLOCK 26, AS SHOWN ON THE PLAT OF VILLAGE OF NORTH PALM BEACH PLAT 2, ACCORDING TO THE PLAT THEREOF ON FILE IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT IN AND FOR PALM BEACH COUNTY, FLORIDA, RECORDED IN PLAT BOOK 25, PAGES 59 AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF LOT 5, BLOCK 26, AS SHOWN ON THE PLAT OF VILLAGE OF NORTH PALM BEACH PLAT 2, ACCORDING TO THE PLAT THEREOF ON FILE IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT IN AND FOR PALM BEACH COUNTY, FLORIDA; THENCE SOUTH $67^{\circ}25'17''$ EAST ALONG THE SOUTH LINE OF SAID LOT 5, BLOCK 26, THE SOUTH LINE OF SAID LOT 5, BLOCK 26 IS ASSUMED TO BEAR SOUTH $67^{\circ}25'17''$ EAST AND ALL OTHER BEARINGS ARE RELATIVE THERETO, A DISTANCE OF 100.00 FEET TO THE SOUTHEASTERLY CORNER OF SAID LOT 5, BLOCK 26; THENCE SOUTH $22^{\circ}35'50''$ WEST, A DISTANCE OF 61.00 FEET TO THE INTERSECTION WITH A LINE PARALLEL WITH AND 61.00 FEET SOUTH OF, AS MEASURED AT RIGHT ANGLES TO, THE SOUTH LINE OF SAID LOT 5, BLOCK 26; THENCE NORTH $67^{\circ}25'17''$ WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 100.00 FEET; THENCE NORTH $22^{\circ}35'50''$ EAST, A DISTANCE OF 61.00 FEET TO THE POINT OF BEGINNING.

CONTAINING IN ALL 6,100 SQUARE FEET OR 0.1400 ACRES, MORE OR LESS.



SCALE: 1"=30'



- ALL ANGLES AND DISTANCES SHOWN HEREON ARE BOTH RECORD AND MEASURED UNLESS OTHERWISE NOTED

**NEXGEN
SURVEYING, LLC.**

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